Office of Health Care Access 2006 Public Acts

On July 1, 2006 the two following Public Acts which were passed in the 2006 legislative session took effect. Each of the Acts changes various sections of the Office of Health Care Access statutes. Below you will find a brief description of the more critical aspects of each of Acts. If you are interested in more specific information with regards to either of these please contact the Office at (860) 418-7001.

Public Act No. 06-64 "An Act Concerning Revisions to the Office of Health Care Access Statutes" can be divided into distinct areas of interest, 1) waiver from certificate of need (CON) in emergency situations; 2) exemption from CON for replacement equipment; and 3) exemption from CON for non-profit health services.

Waiver from CON for Emergency Purposes

The current statute allows an applicant to request a waiver from the 60 day letter of intent (LOI) phase of the CON process under specific conditions. The Act expands the existing statute by allowing a healthcare facility to request a waiver in situations where a healthcare facility demonstrates that the 60 day LOI phase would compromise the ability of the healthcare facility to provide access to care. This waiver is only applicable to services currently provided by the healthcare facility.

Waiver from CON for Replacement Equipment

The Commissioner has the authority to waive from CON certain equipment previously obtained through the CON process. The Act repeals a requirement which precluded the Commissioner from granting such a waiver if the applicant is replacing equipment that costs more than ten percent of original cost for each twelve month period that has elapsed since the original CON approval.

Exemption from Certificate of Need

The Commissioner of OHCA may grant an exemption from CON to non-profit facilities, institutions or providers currently under contract with a state agency or department who are seeking to engage in, relocate or terminate a service. A Commissioner of the agency with which the non-profit facility, institution or provider has a contract must request an exemption in writing. In the case of a relocation or termination of services the request must ensure access to care will continue to be met in a better or satisfactory manner and specifies how this will be done.

<u>Public Act No. 06-28 "An Act Concerning Certificate of Need Capital</u>
<u>Expenditure Thresholds"</u> has two overall provisions of interest; 1) the raising of all capital expenditures threshold to three million dollars and 2) adding an "in operation" date for certain radiology services.

Increase Capital Expenditure Threshold

The Act increases the CON threshold for all capital expenditures, including major medical equipment, to three million dollars.

In Operation date for Radiology Equipment

The Act requires each health care facility, institution or provider that purchases, leases or accepts donation of a CT scanner, PET scanner, PET/CT scanner, MRI scanner, cineangiography equipment or a linear accelerator equipment has such equipment in operation by July 1, 2006 or CON authorization would be required.